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SENATE BILL 3022 By
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HOUSE BILL 2933
By Hagood

AN ACT to amend Tennessee Code Annotated, Section 66-24-101; Section 71-5-116 and Section 71-5-110, relative to assessing a fee to certain TennCare applicants for certain purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 71-5-110, is amended by adding the following language as a new subsection (c):

(c) (1)(A) Each applicant for TennCare enrollment due to such person's status as uninsured or uninsurable whose income is above the federal poverty level shall be charged a two dollar (\$2.00) application fee. In addition, as provided in subdivision (2), if a person's application is approved, such person must reapply annually thereafter and pay a two dollar (\$2.00) application fee at such time. Such fee shall be for the purpose of providing funding for the bureau to file agreements for a lien as well as releases as provided in subdivision (B).

(B) Each person described in subdivision (A) shall at the time of making application, also be required to execute an agreement for a lien on real property owned by such person or in which such person has an interest to cover the amount of

premiums due and payable by such enrollee but which are not paid by the enrollee.

Such agreement for a lien shall be no more than one page in length and shall sufficiently describe the property to properly identify it, including the county and state, if other than the state of Tennessee, in which such real property is located. The lien authorized in such agreement shall attach to the real property described in such agreement on the date the person fails to make a premium payment in a timely manner, imposed in accordance with the waiver, and shall remain until the premiums are paid in full or the lien is otherwise enforced . The bureau shall file such agreement in the office of the register in the county where the property is located as soon as practicable after the person fails to make the premium payment and forward a notice to such person showing the date the lien was filed in the office of the register. The bureau shall likewise release the lien represented by such agreement as soon as practicable after the person brings the premium payments up-to-date and forward a notice to such person showing the date the lien was released. Enforcement of the lien shall be in the same manner as other liens are enforced in this state.

(C) Any person aggrieved under the provisions of this section shall have the right to appeal the bureau's actions in accordance with the provisions of the waiver.

(2)(A) If such person's application for enrollment is approved, the person shall be approved for enrollment in TennCare for a period of twelve (12) months or until the applicant presents proof to the bureau of TennCare that the applicant has obtained insurance coverage either through an employer or otherwise, or is no longer a resident of the state of Tennessee. If the enrollee's premiums are current at the time the enrollee notifies the bureau of such insurance coverage, the agreement of lien shall be returned to the enrollee.

(B) If such person's application for enrollment is denied, the two dollar (\$2.00) fee shall be refunded to the person.

SECTION 2. Tennessee Code Annotated, Section 71-5-116(a), is amended by deleting the word "No" from the beginning of the subsection, and by substituting instead the language "Except as provided in Section 1 of this act, no".

SECTION 3. Tennessee Code Annotated, Section 66-24-101(a), is amended by adding the following language as a new, appropriately designated subdivision:

() Agreement for a lien on real property of a person covered by TennCare as an uninsured or uninsurable as provided in Section 1 of this act;

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.